

3 June 2005

**CL 20**

Patrina Buchanan  
Project Manager  
International Accounting Standards Board  
30 Cannon Street  
London EC4M 6XH  
UK

Dear Patrina,

**Re: ED of Proposed Amendments to IFRS 6 *Exploration for and Evaluation of Mineral Resources* and IFRS 1 *First-time Adoption of International Financial Reporting Standards***

On behalf of the European Financial Reporting Advisory Group (EFRAG) I am writing to comment on the Exposure Draft of Proposed Amendments to IFRS 6 *Exploration for and Evaluation of Mineral Resources* and IFRS 1 *First-time Adoption of International Financial Reporting Standards*. This letter is submitted in EFRAG's capacity of contributing to the IASB's due process and does not necessarily indicate the conclusions that would be reached in its capacity of advising the European Commission on endorsement of the definitive IFRS on the issues.

We also stress that the EFRAG consultation is based on a shorter comment period than usual as a consequence of the unusual short comment period provided by IASB.

We support the objective of the exposure draft to clarify the inconsistency between the wording of IFRS 1 paragraph 36B and the discussion in the Basis for Conclusions of IFRS 6, which provide an exemption to an entity that both (a) adopts IFRSs for the first time before 1 January 2006 and (b) applies IFRS 6 before that date.

We welcome the intention of the IASB to provide these entities with an exemption from (i) providing comparative disclosures and (ii) the recognition and measurement requirements of IFRS 6 for the comparative period.

It is in the interest of a number of European first-time adopters to have the exemption clarified as soon as possible as indicated by the Board no later than 30 June 2005.

If you would like further clarification of the points raised in this letter I would be happy to discuss these further with you.

Yours sincerely

Stig Enevoldsen  
**EF RAG, Chairman**